Fawry for Banking Technology and Electronic Payments

(S.A.E.)

Separate financial statements

Together with the auditor's Report

For the year Ended

December 31, 2023

Saleh, Barsoum & Abdel Aziz
Grant Thornton

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Translation of Auditor's Report
Originally Issued in Arabic

Independent Auditor's Report

To: The Shareholders of Fawry for Banking Technology and Electronic Payments S.A.E.

Report on the Separate Financial Statements

We have audited the accompanying separate financial statements of Fawry for Banking Technology and Electronic Payments S.A.E. which comprise the separate statement of financial position as of December 31, 2023 and the related separate statements of profit or loss, comprehensive income, changes in equity and separate cash flows statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Separate Financial Statements

These separate financial statements are the responsibility of the company's management. Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Egyptian Accounting Standards and in the light of the relevant Egyptian laws and regulations. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of these separate financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and applicable Egyptian laws and regulations. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

Saleh, Barsoum & Abdel Aziz
Grant Thornton

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these separate financial statements.

Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the separate financial position of Fawry for Banking Technology and Electronic Payments S.A.E. as of December 31, 2023 and of its separate financial performance and its separate cash flows for the year then ended in accordance with the Egyptian Accounting Standards and related Egyptian laws and regulations.

Report for Other Legal and Regulatory Requirments

The Company maintains proper books of accounts, which includes all that is required by the law and the status of the Company, and the separate financial statements are in agreement thereto.

The financial information included in the Board of Directors' Report is prepared in compliance with Law No. 159 of 1981 and its executive regulation thereto, and is in agreement with the Company's books of accounts.

Cairo, 4 March 2024

Kamel Magdy Saleh FCA,
FESAA (R.A.A. 8510)
FRA Register No. "69"
Saleh, Barsoum & Abdel Aziz – Grant Thornton

Translation of financial statements
Originally Issued in Arabic

Fawry for Banking and Payment Technology Services S.A.E.
Separate statement of financial position
as of December 31, 2023

EGP	Note No.	December 31, 2023	December 31, 2022
Assets			
Non-current assets			
Fixed assets	(6)	841 498 395	671 626 871
Intangible assets	(7)	601 548 195	372 162 129
Projects under construction	(8)	5 025 865	35 615 802
Investments in subsidiaries	(9)	364 012 432	216 514 882
Investments in associates and joint venture	(10)	8 991 429	21 414 659
Investments at fair value through OCI	(11)	40 047 247	38 505 101
Deferred tax asset	(35)	36 838 686	27 784 162
Loans to related parties	(13)	133 364 207	193 416 296
Investments at fair value through P&L	(12)	29 850 000	-
Total non-current assets		**2 061 176 456**	**1 577 039 902**
Current assets			
Inventory		8 013 979	3 198 362
Accounts and notes receivable	(14)	12 327 271	8 164 899
Debtors and other debit balances	(15)	169 918 512	140 971 946
Advances to billers		540 600 371	498 083 700
Due from related parties	(16)	198 411 353	11 601 893
Investments at fair value through P&L	(12)	16 732 250	13 318 250
Treasury bills	(17)	2 117 435 308	1 392 557 695
Cash and cash at banks	(18)	2 571 092 637	2 125 353 270
Total current assets		**5 634 531 681**	**4 193 250 015**
Total assets		**7 695 708 137**	**5 770 289 917**
Equity			
Issued and paid-up capital	(19)	1 703 261 622	1 653 652 060
Legal reserve		62 039 050	53 150 023
Reserve for employee stock ownership plan (ESOP)	(27)	198 552 525	151 513 185
Shares for employee stock ownership plan		(43 170 059)	--
Shares issuance expenses reserve		--	(5 818 102)
Revaluation reserve for investments at fair value through OCI		(12 252 854)	(13 795 000)
Retained Earnings		1 204 234 049	537 325 900
Total equity		**3 112 664 333**	**2 376 028 066**
Non-Current liabilities			
Deferred tax liabilities	(35)	26 262 512	16 960 418
Lease Liabilities	(28)	88 880 933	68 803 312
Total non current liabilities		**115 143 445**	**85 763 730**
Current liabilities			
Bank credit facilities	(20)	74 977 067	149 542 191
Provisions	(21)	52 928 805	40 634 057
Accounts and notes payable	(22)	81 996 454	61 708 170
Accounts and notes payable - Billers	(23)	2 320 574 794	1 872 568 587
Merchant advances		1 445 685 555	628 954 407
Retailers' POS security deposits		100 810 102	76 121 037
Creditors and other credit balances	(24)	189 633 119	270 243 189
Due to related parties	(25)	71 673 672	165 283 478
Current income tax		114 331 306	32 397 288
Lease Liabilities	(28)	15 289 485	11 045 717
Total current liabilities		**4 467 900 359**	**3 308 498 121**
Total equity and liabilities		**7 695 708 137**	**5 770 289 917**

The accompanying notes form an integral part of these separate financial statements and to be read therewith.

Chief Financial Officer **Chief Executive Officer** **Chairman**

Auditor's report attached

Fawry for Banking and Payment Technology Services S.A.E.

Separate Statement of Profit or Loss

for the year ended December 31, 2023

EGP	Note No.	December 31, 2023	December 31, 2022
Operating revenues	(29)	2 198 824 807	1 493 453 804
Operating costs	(30)	(740 647 097)	(606 314 616)
Gross margin		**1458 177 710**	**887 139 188**
Add (Less):			
General and administrative expenses	(36)	(549 484 590)	(421 815 473)
Selling and marketing expenses		(468 429 430)	(374 816 213)
Employee Stock Ownership Plan expenses	(27)	(75 135 571)	(69 107 128)
Board Compensation expenses		(7 003 600)	(4 100 064)
Medical contribution for Health and insurance		(6 747 711)	(4 304 650)
Expected credit loss		(18 194 849)	(1 388 745)
Formed provisions	(21)	(31 149 258)	(15 287 449)
Finance costs	(31)	(31 135 983)	(35 080 690)
Gain on revaluation of financial investments through P&L		2 447 414	818 250
Credit interest	(33)	443 202 462	211 979 470
Gain on selling of fixed assets		20 182 173	8 568 303
Other revenues		8 619 927	7 040 303
Foreign currency exchange gain		11 166 302	14 683 147
Operating profit		**756 514 996**	**204 328 249**
Dividends from investments in subsidiaries		36 646 749	29 730 859
Effect of change from investment in associates		17 426 770	--
Profit for the year before tax		**810 588 515**	**234 059 108**
Current income tax		(189 114 020)	(69 175 843)
Deferred income tax	(35)	(10 630 727)	12 902 084
Net profit for the year after tax		**610 843 768**	**177 785 349**
Earnings per share - basic	(37)	**0.15**	**0.06**
Earnings per share - diluted	(37)	**0.15**	**0.06**

The accompanying notes form an integral part of these separate financial statements and to be read therewith.

Translation of financial statements
Originally Issued in Arabic

Fawry for Banking and Payment Technology Services S.A.E.
Separate statement of comprehensive income
for the year ended December 31, 2023

EGP	December 31, 2023	December 31, 2022
Net profit for the year	**610 843 768**	**177 785 349**
Revaluation Gain (Losses) for Investments at fair value through OCI	1 542 146	(13 795 000)
Total other comprehensive income	1 542 146	(13 795 000)
Total comprehensive income for the year	**612 385 914**	**163 990 349**

The accompanying notes form an integral part of these separate financial statements and to be read therewith.

Fawry for Banking and Payment Technology Services S.A.E.

Separate statement of change in equity

for the year ended December 31, 2023

	Note No.	Issued and paid up capital	Legal reserve	Share for employee stock ownership plan	Reserve for employee stock ownership plan (ESOP)	Shares issuance expenses reserve	Revaluation reserve for investments at fair value through OCI statement	Retained Earnings	Total
									EGP
Balance as of January 1, 2022		853 652 060	47 129 042	--	52 398 017	(2 835 763)	--	387 664 366	1 338 007 722
Items of comprehensive income									
Net profit for the year		--	--	--	--	--	--	177 785 349	177 785 349
Revaluation reserve for investments at fair value through OCI		--	--	--	--	--	(13 795 000)	--	(13 795 000)
Total comprehensive income for the year		--	--	--	--	--	(13 795 000)	177 785 349	163 990 349
Transactions with company's owners									
Dividends distributions		--	--	--	--	--	--	(19 267 071)	(19 267 071)
Capital increase	(19)	800 000 000	--	--	--	--	--	--	800 000 000
Transferred to retained earnings and legal reserve		--	6 020 981	--	--	--	--	(6 020 981)	--
Transferred to retained earnings from share issuance expense		--	--	--	--	2 835 763	--	(2 835 763)	--
Reserve for employee stock ownership plan (ESOP)	(27)	--	--	--	99 115 168	--	--	--	99 115 168
Shares issuance expenses reserve		--	--	--	--	(5 818 102)	--	--	(5 818 102)
Total transactions with the company's owners		800 000 000	6 020 981	--	99 115 168	(2 982 339)	--	(28 123 815)	874 029 995
Balance as of December 31, 2022		1 653 652 060	53 150 023	--	151 513 185	(5 818 102)	(13 795 000)	537 325 900	2 376 028 066
Balance as of January 1, 2023		1 653 652 060	53 150 023	--	151 513 185	(5 818 102)	(13 795 000)	537 325 900	2 376 028 066
Net profit for the year		--	--	--	--	--	--	610 843 768	610 843 768
Revaluation reserve for investments at fair value through OCI		--	--	--	--	--	1 542 146	--	1 542 146
Total comprehensive income for the year		--	--	--	--	--	1 542 146	610 843 768	612 385 914
Transactions with company's owners									
Transferred to legal reserve		--	8 889 027	--	--	--	--	(8 889 027)	--
Capital increase (Employee stock owner ship)		49 609 562	--	(49 609 562)	--	--	--	--	--
Exercising of employee stock ownership plan shares	(27)	--	--	6 439 503	(69 330 073)	--	--	99 217 166	36 326 596
Formed for employee stock ownership plan shares		--	--	--	105 986 256	--	--	--	105 986 256
Deferred tax effect of employee stock ownership plan		--	--	--	10 383 157	--	--	--	10 383 157
Transferred to share issuance reserve from retained earnings		--	--	--	--	5 818 102	--	(5 818 102)	--
Dividends distributions		--	--	--	--	--	--	*(28 445 656)*	*(28 445 656)*
Total transactions with the company's owners		49 609 562	8 889 027	(43 170 059)	47 039 340	5 818 102	--	56 064 381	124 250 353
Balance as of December 31, 2023		1 703 261 622	62 039 050	(43 170 059)	198 552 525	--	(12 252 854)	1 204 234 049	3 112 664 333

Fawry for Banking and Payment Technology Services S.A.E.
Separate statement of cash flows
for the year ended December 31, 2023

EGP	Note	December 31, 2023	December 31, 2022
Cash flows from operating activities:			
Net profit for the year before tax		810 588 515	234 059 108
Adjusted by:			
Depreciation and amortization during the year	(36)	263 095 366	186 467 561
Formed provisions	(21)	31 149 258	15 287 449
Unrealized foreign currency exchange loss.		(11 166 302)	(14 683 147)
Expected credit loss		10 672 368	1 388 745
(Gain) on sale of fixed assets		(20 182 173)	(5 085 898)
Dividends distributions from investments in subsidiaries		(36 646 749)	(29 730 859)
Employee Stock Ownership Plan expenses		75 135 571	69 107 128
Revaluation Gain of Investments at fair value through P&L		(2 447 414)	(818 250)
The change from investment in associates		(17 426 770)	--
Credit interest	(33)	(443 202 462)	(211 979 470)
Finance costs		31 135 983	35 080 690
Operating gain before change in working capital		690 705 191	279 093 057
Changes in working capital			
(Increase) in inventory		(4 815 617)	(2 900 316)
(Increase) in advances to billers		(46 374 212)	(125 403 057)
(Increase) in debtors and other debit balances		(30 727 679)	(87 859 787)
(Increase) / Decrease in accounts and notes receivable	(14)	(3 268 172)	28 046 599
(Increase) / Decrease in due from related parties		(159 903 983)	44 312 888
Increase / (Decrease) in accounts and notes payable		20 288 284	(8 697 465)
Increase in accounts payable– billers		448 006 207	863 033 176
(Decrease) / Increase in due to related parties		(93 609 806)	29 271 699
Increase in merchants prepaid balances		816 731 147	184 298 772
Increase in retailer's POS security deposits		24 689 064	13 782 134
(Decrease) / Increase in creditors and other credit balances		(81 037 883)	105 696 091
Decrease / (Increase) in loans to related parties		57 885 374	(71 487 270)
Provision used		(18 854 510)	(6 784 034)
Income tax paid		(92 647 316)	(56 209 894)
Proceeds from credit interest		377 662 260	167 662 037
Net cash provided from operating activities		1 904 728 349	1 355 854 630
Cash flows from investing activities			
(Payments) to acquire fixed assets		(342 524 983)	(253 541 737)
(Payments) to acquire intangible assets		(261 287 660)	(136 096 369)
(Payments) for projects under construction		(2 281 473)	(84 267 990)
Proceeds from the sale of fixed assets		30 522 847	18 385 062
(Payments) to acquire financial investments at fair value through P&L		(966 586)	(12 500 000)
(Payments) to acquire investment at fair value through OCI		--	(5 128 125)
Proceeds from dividends from investments in subsidiaries		36 646 749	29 730 859
(Payments) to acquire investment in subsidiary and associates		(147 497 550)	(59 181 429)
Net movement of treasury bills - more than three months		(450 792 554)	288 604 441
Net cash (used in) investing activities		(1 138 181 210)	(213 995 288)
Cash flows from financing activities			
Proceeds from capital increase		--	800 000 000
Proceeds during the period from employees (ESOP)		36 326 596	--
(Payments)/Proceeds from bank facilities		(74 565 123)	(281 682 542)
Dividends paid		(28 445 656)	(19 267 071)
(Payments) for lease liabilities		(12 685 019)	(14 742 347)
Finance Expenses Paid		(31 135 983)	(27 370 927)
Net cash (used in) provided from financing activities		(110 505 185)	456 937 113
Net change in cash and cash equivalents during the year		656 041 954	1 598 796 455
Cash and cash equivalents at beginning of the year		2 686 868 874	1 073 389 272
Changing currency difference for cash and cash equivalents		11 166 302	14 683 147
Cash and cash equivalents at end of the year	(18)	3 354 077 130	2 686 868 874

The accompanying notes form an integral part of these separate financial statements and to be read therewith.

1. General information

Fawry for Banking and Payment Technology Services S.A.E. was established in accordance with the provisions of Law No. 159 of 1981 and its executive regulation, and was registered at the Commercial Register under No. 33258 on June 26, 2008, the commercial register has changed to 50840 in March 2011. The company reregistered at the commercial register investment 6th of October under the No. 1333 on July 19, 2018.

The purpose of the company is to provide operations services specialized in systems and communications, management, operating and maintenance of equipment and computers networks services and internal systems of banks, networks, and centralized systems, establish operating systems for banking services through the internet, phone and e-payment services and circulation of secured documents electronically, taking into account the provisions of laws, regulations and decisions and provided that all the licenses necessary for pursuing these activities are issued. The duration of the company is twenty-five years from the Commercial Register date.

The separate financial statements of the company were approved in the board of directors meeting dated March 4 2024.

2. Statement of compliance

The separate financial statements have been prepared in accordance with law Number 110 for on 2015 and with the Egyptian Accounting Standards, and applicable laws and regulations. The Egyptian Accounting Standards require reference to the International Financial Reporting Standards "IFRS" for events and transactions that have not been covered by the Egyptian Accounting Standards or legal requirements describing their treatments.

3. Basis of preparation of the separate financial statements

The separate financial statements are presented in Egyptian Pound (EGP), which is the functional and presentation currency of the Company.

The financial statements have been prepared in accordance with the Egyptian Accounting Standards and applicable laws and regulations on the historical cost basis except for the financial assets and liabilities measured at fair value, or at amortized cost, or cost according to the relative accounting standards.

The preparation of separate financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses, as well as the disclosure of contingent liabilities.

Investments in subsidiaries, associates, and joint ventures were presented in the attached separate financial statements on the basis of cost (excluding impairment, if any) which represents the company's direct equity interest not on the basis of the reported results and net assets of the investees.

Actual results may differ from these estimates. The critical accounting judgments and key sources of estimation uncertainty. (Note #4).

4. Critical accounting judgments and key sources of uncertain estimations

In the application of the company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Those estimates and associated assumptions are based on management historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates therefore, these estimates and underlying assumptions are reviewed on an ongoing basis.
Revisions of accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods (prospectively) if the revision affects both current and future periods.

5. Significant accounting policies

The principal accounting policies used in preparing the separate financial statements are set out below:

A. Investments in a subsidiaries

A subsidiary company is an entity including an unincorporated entity such as a partnership that is controlled by another entity (known as the parent). Control is achieved when the company has the right into variable returns through its contribution in the investee when exposed or entitled to variable returns and have the ability to effect that returns through its power on investee, the company control the investee when the company has the following:

- Has power over the investee.
- Is exposed or has rights to variable returns from its involvement with the investee.
- Has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.
When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power including:

- The size of the Company's voting rights relative to the size and dispersion of the other vote holders.
- Potential voting rights held by the Company, other vote holders or other parties
- Rights arising from other contractual arrangements and
- Any additional facts and circumstances that indicate that the Company has or does not have the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

B. Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

Investments in associates in the separate financial statement are carried at cost. However, for those investments which are categorized as held for sale, they are carried at book value or fair value less any transactions costs that are directly attributable to selling these investments, whichever is less. The company does not account for investments in associates using the equity method in the attached separate financial statements as required by paragraph (17) from Egyptian Accounting Standard (18)

If objective evidence arises which cast doubt that there is an impairment in the value of investments in associates at the financial position date, the carrying amount of the investment is reduced to its recoverable amount, and the loss is immediately recognized in the separate statement of profit or loss.

C. **Investments in Joint ventures**

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

Investments in joint ventures in the separate financial statement are carried at cost. However, for those investments which are categorized as held for sale, they are carried at book value or fair value less any transactions costs that are directly attributable to selling these investments, whichever is less. If objective evidence arises which cast doubt that there is an impairment in the value of investments in Joint Venture at the financial position date, the carrying amount of the investment is reduced to its recoverable amount, and the loss is immediately recognized in the separate statement of profit or loss.

D. **Foreign currencies**

The Egyptian pound has been designated as the company's functional currency. Transactions denominated in foreign currencies are translated to the Egyptian pound using the effective exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-valued at the end of each reporting period using exchange rates prevailing on that date.

The non-monetary items denominated in foreign currencies and measured at fair value, are translated at the exchange rates ruling at the date the fair value was determined. As for non-monetary items in other currencies which are measured at historical cost, they are not retranslated.

The gains and losses resulting from the translation differences are recognized in the separate statement of profit or loss in the period in which they arise except for the differences resulting from the translation of non-monetary assets and liabilities denominated at fair value, as their related translation differences are included in the changes in the fair value.

E. **Fixed assets and depreciation**

Fixed assets are stated in the separate financial position at historical cost, less accumulated depreciation and accumulated impairment losses, except for land, which is stated at cost less impairment. Cost of fixed assets includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the assets carrying amount or recognized separately - as appropriate - only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to separate statement of profit or loss during the financial period in which they have been incurred.

The gain or loss arising on the disposal or retirement of an item of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the separate statement of profit or loss.

The depreciation of these assets starts when they are ready for their intended use according to the same basis of depreciation applied with other fixed assets.

Depreciation is charged so as to write-off the cost of assets using the straight-line method, over their estimated useful lives, represented as follows:

Assets description	Years
Building	40
Networks and servers	4
Point of sales machines	1 - 4
Computers and servers	2 – 4
Furniture and office equipment	4 – 5
Leasehold improvement *	3 – 5
Vehicles	5
Tools and equipment Super Fawry	3
Fawry Branches	3

* The useful lives are determined based on lesser of the remaining rent contract or the useful life of the asset Whichever is less.

F. **Intangible assets**

Intangible assets are stated in the financial position at historical cost, less accumulated amortization and accumulated impairment. Amortization is charged so as to write-off the cost of assets over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and amortization method are reviewed at each year-end, taking into consideration the effect of any changes in useful lives estimate accounted for on a prospective basis.

Programs' licenses

Programs' licenses are stated at historical cost, less accumulated depreciation.

Amortization is charged so as to write-off the cost of assets over their estimated useful lives, using the straight-line method, which is usually 10 years.

Programs

Computer software programs are capitalized on the basis of the acquisition and utilization cost. These costs are amortized on straight-line basis over their estimated useful lives, which is usually between 4-10 years.

G. **Impairment of non-financial assets**

On the date of preparing the financial statements, the company determines whether there is an indication that an asset has been impaired. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered to be impaired and is reduced to its recoverable amount. The impairment loss is recorded in the statement of profit or loss.

An impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized and it is limited so that, as a result of the impairment loss, the asset's recoverable amount or exceeds its recoverable amount. The carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. The refund is recorded in the loss resulting from the impairment of the value in the statement of profits or losses

H. Related party transactions

Related party transactions carried out by the company are proven in the context of its normal transactions in accordance with the conditions set by the Board of Directors and on the same basis as dealing with third parties. These transactions are disclosed if they change from the normal transaction with a third party.

I. Revenues recognition and measurement

Applications sales

Revenue is measured at the fair value of the consideration received or receivable for the entity. Revenues recognized from the sold applications are recognized in the separate statement of profit or loss when the risks and rewards associated with the application are transferred to the buyer, and when there is a strong probability that the economic benefits and costs incurred or to be incurred in respect of the transaction can be measured reliably and when the entity does not retain any continuing managerial involvement right to the degree usually associated with ownership, and when the amount of revenue can be measured reliably.

Services

The revenue of rendered services is recognized as follows:

Transactions sales revenues

Revenues are recognized on accrual basis when the collection / settlement related to different streams of services is completed (balance recharge, bill payments, cash collections, etc.).

Subscription revenues

Subscription revenues are recognized in the statement of profit or loss on accrual basis.

Interest revenues

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable until maturity.

Investment revenues

Dividends income from investments is recognized when the shareholder's right to receive these dividends is issued.

J. Operational costs

Operational costs include cash collection costs paid to multiple payment channels through which payments were made, including (merchants, banks, Egyptian Post Office, and several other authorities) and this is in accordance with executed contracts with each party separately. Operational costs also include the cost of applications sold, and the consumables of materials.

Operational costs are charged by the transaction's share of direct depreciation and amortization in accordance to transaction share basis compared to the estimated normal capacity, and if the normal capacity is not reached, the differences are charged to depreciation and amortization as part of general and administrative expenses.

K. Inventories

The inventory is measured at the date of the financial statements at cost or net realizable value whichever is less. The cost is represented in the purchase price; however, the realizable value is represented in the estimated selling value less selling and distribution costs.

L. Taxation

Deferred tax assets and liabilities are recognized on temporary differences between the assets and liabilities tax basis set by the Egyptian Tax Law and its executive regulations, and their carrying amounts per the accounting principles used in the preparation of the separate financial statements.

Income tax expense for the year is the sum of current income tax and deferred tax.

Current tax payable is calculated based on taxable profit of the year as determined in accordance with applicable local laws and regulations using tax rates enacted as of the separate financial statements date.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized, based on tax rates and tax laws that have been enacted at the separate financial statements date.

Deferred tax is recognized as an expense or revenue in the separate statement of profit or loss, except when it relates to items charged or credited directly to equity, in which case the income tax is also dealt with in equity unless those related items recognized in equity have affected taxable profit and calculation of current tax expense for the year, then the related deferred tax is recognized in the separate statement of profit or loss.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized. These assets and liabilities are not recognized if the temporary difference results from goodwill or from the initial recognition of other assets and liabilities (other than those arising from business combinations) due to a transaction that did not have any effect on the taxable or accounting profit.

The carrying amount of deferred tax assets is reviewed at each financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are accounted for using the financial position liability method and are reported in the financial position as non-current assets and liabilities.

M. Legal reserve

In accordance with law No. 159 for 1981 and the article of incorporation of the company, at least 5% should be retained and transferred from the net profit of the previous year to the legal reserve until the reserve reaches 50% of the issued capital After that, the company stops forming a reserve unless the reserve falls below 50% of the issued capital, and it is not distributable. The Company is required to resume transfer of net profit to the legal reserve once its balance falls below this percentage.

N. Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, cash at banks, treasury bills with maturities less than three months and short-term demand deposits that are readily convertible to known amounts of cash.

O. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the separate financial position date. When the effect of the time value of money is material, the amount of a provision shall be the present value of expected expenditures, required to settle the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as finance expense in the separate statement of profit or loss.

P. The cash flows statement

The separate cash flows statement was prepared using the indirect method. For preparing the separate cash flows statement, cash and cash equivalents are comprised of cash on hand, current accounts, deposits at banks, and treasury bills with maturity less than 90 days.

Q. Short-term employee benefits

Short term employee benefits represent wages and salaries and social insurance contributions and paid annual leaves and bonuses (if they are accrued within 12 months of the end of the period) and non-cash benefits such as medical insurance for current employees.

R. Lease contracts

In March 2019, the Egyptian Standard No. (49) "Leasing Contracts" was issued to replace the Egyptian Standard No. (20) "Accounting rules and standards related to financial leasing operations" and the issuance of Law No. 176 of 2018 to regulate the financial leasing and factoring activity during August 2018 to replace Law No. 95 of 1995 Therefore, the company must apply the new Egyptian Standard No. (49) at the beginning of 2019 to contracts subject to the provisions of Law 95 of 1992 that were previously dealt with according to Egyptian Accounting Standard No. (20) according to the instructions mentioned in the periodic book No. 171 For the year 2019 issued on August 4, 2019, the companies Laguerre Lease and tenants under leasing contracts of non-bank financial firms and companies have restricted securities Egyptian Stock Exchange application of the standard lease financing no later than September 30, 2019 Therefore, the date shall be the first application in January 1, 2019.

1- Lease contracts subject to Law No. 95 of 1995 in which the company is a lessee

The company assesses whether a contract is or contains a lease at inception of the contract. The company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative

Initial measurement of lease liability:

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate for such liabilities.

Lease payments included in the measurement of the lease liability comprise:

a. Fixed lease payments less any lease incentives;
b. Variable lease payments that are depend on an index or rate, initially measured using the index or rate at the commencement date
c. The amount expected to be payable by the lessee under residual value guarantees;
d. The exercise price of purchase options, If the lessee is reasonably certain to exercise the options; and
e. Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate

Subsequent measurement of lease liability:

The lease liability is subsequently measured as follows:

a. Increase the carrying amount to reflect interest on the lease liability

b. Reducing the carrying amount to reflect the lease payments made.

The company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the leases payments change is due to a change in a floating interest rate, in which case a revised discount rate is used.
- A lease contract is modified and the lease modification is not accounted for as a separate lease

If there is a change in future lease payments resulting from a change in the rate used to determine those payments or a change in the amounts expected to be payable under the residual value guarantee, the lessee must re-measure the lease liability to discount the adjusted lease payments using the same discount rate unless there is a change in lease payments resulting from a change in the variable interest rates, in this case the lessee must use a modified discount rate that reflects changes in the interest rate.

The cost of right-of-use assets includes:

a. The initial measurement of the corresponding lease liability at the present value of the unpaid lease payments at that date. Lease payments are discounted using the interest rate stated in the contract if that rate can be easily determined. If this rate cannot be determined, the lessee must use the interest rate on the additional borrowings.

b. Lease payments made at or before the start date of lease contract less any received incentives.

c. Any initial direct costs

d. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventory.

Subsequent measurement of Right of use assets

Right of use assets are subsequently measured at cost less:

a. Accumulated depreciation and impairment losses.
b. Any amounts resulting from revaluation of lease liability

- If the lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of use asset is depreciated from the commencement date over the useful life of the underlying asset. Other than the previous conditions the depreciation starts at the commencement date of the lease till the end of the useful life of the asset or end of lease contract whichever is earlier.
- The company applies EAS (31) to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property, plant and equipment" policy.
- Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are include in the line "administrative expenses" in the statement of profit or loss. Currently, the company does not have such variable rents.
- The standard permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The company has not used this practical expedient.

Sale and lease back transactions

If the transfer of the asset by the "Lessor" seller does not meet the requirements of Egyptian Accounting Standard 48 for accounting for it as a sale of the asset. The seller (the lessee) must continue to recognize the transferred asset and must recognize a financial obligation equal to the transfer proceeds and must account for the financial obligation by applying Egyptian Accounting Standard No. 47.

c. Financial instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

Financial assets are recognized and derecognized on the "trade date" where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

A. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost less impairment loss:

– the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

– the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The subsequent measurement of all other financial assets is measured by fair value.

B. Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

The return on all debt instruments is recognized on an effective interest basis except as a financial asset at fair value through profit or loss where the yield is included in the net change in fair value.

C. Financial assets at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investment revaluation reserve.

The cumulative gain or loss will not be reclassified to profit or loss on disposal of the investments.

The Company has designated all investments in equity instruments, that are not held for trading, as at FVTOCI on initial application of EAS No. (47).

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established based upon the Egyptian Accounting Standard No. (48) ''Revenue from contracts with customers''. Dividends earned are recognized in profit or loss and are included in the ''Dividends income from investments'' line item.

D. Financial assets at fair value through profit and loss (FVTPL)

Investments in equity instruments are classified as FVTPL unless the Company classifies the investment as FVTOCI upon initial recognition as FVTOCI.

Debt instruments - which do not meet the conditions of amortized cost - are measured at fair value through profit or loss, and debt instruments that meet the conditions of amortized cost - however the Company chooses to classify them at fair value through profit or loss - are also measured at fair value through profits or losses. A debt instrument may be classified upon initial recognition at fair value through profit or loss if that classification eliminates or significantly reduces a measurement or recognition inconsistency that may arise from the use of different bases in measuring assets or liabilities or in recognizing the resulting gains or losses. The Company has not classified any debt instrument at fair value through profit or loss.

Debt instruments are reclassified from the "amortized cost" classification to the "fair value through profit or loss" classification when the business model is changed such that the amortized cost terms are no longer applicable. It is not allowed to reclassify debt instruments that are classified upon initial recognition at fair value through profit or loss outside that classification.

Financial assets classified at fair value through profit or loss are measured at fair value at the end of each financial period, with any gain or loss resulting from re-measurement recognized in profit or loss. The net gain or loss - recognized in profit or loss for the period - is included in "other gains and losses" in the separate statement of comprehensive income.

The value is determined and the interest income from debt instruments classified at fair value through profit or loss is included in the net profit or loss referred to above.

Income from dividends resulting from investments in equity instruments classified at fair value through profit or loss is recognized in profit or loss when the Company has the right to receive dividends in accordance with Egyptian Accounting Standard No. (48) "Revenue from contracts with customers", and that income is included within the net profit or loss referred to above.

E. Impairment of financial assets

On a prospective basis, the company evaluates the expected credit losses for debt instruments measured at amortized cost and at fair value through other comprehensive income. The Company measures the expected credit losses and recognizes a provision for credit loss at the date of preparing the financial reports. The measurement of credit losses reflects the expectation: (i) a weighted fair amount determined by evaluating a range of outcomes, (ii) the time value of money, and (iii) reasonable and supportive information that is available without incurring undue cost or effort at the end of each reporting period of preparation of financial reports about past events, current conditions, expectations and future conditions.

The Company applies a three-stage model of impairment, based on changes in credit quality since the first recognition, the financial instrument that has not been decreased by impairment at the first recognition is classified in the first stage. The expected credit losses for financial assets in the first stage are measured at an amount equal to the portion of the expected credit losses over the life that results from default events that are possible within the next 12 months or until the contractual maturity date, if more (up to 12 months expected credit losses) if the Company determines a significant increase in credit risk since the first recognition, the asset is transferred to the second stage and the expected credit losses are measured on the basis of the expected credit losses over the life, that is, until the contractual maturity date, but taking into account the expected advance payments, if any (expected credit losses over a lifetime). For a description of how the company determines when a significant increase in credit risk will occur. If the Company determines that a financial asset is credit-impaired, the asset is transferred to the third stage and the expected credit losses are measured as lifetime expected credit losses.

F. Derecognition of financial assets

The Company derecognize the financial asset from its books - only - when its contractual rights to the cash flows from the asset expire, or when the Company transfers the financial asset and all the risks and benefits associated with its ownership to another entity to a large extent.

If it turns out that the Company has neither transferred nor retained substantially all of the risks and benefits associated with ownership of the asset and continues to control the transferred asset, then the Company will recognize the right it held in the asset and with a corresponding liability representing the amounts that may have to be paid. If it turns out that the Company retains to a large extent all the risks and benefits of ownership of the transferred financial asset, then the Company continues to recognize the financial asset, provided that it also recognizes the gains it received as an amount borrowed as a security for that asset.

When a financial asset carried at amortized cost is removed from the books, then the difference between the carrying amount of the asset and the sum of the consideration received and the consideration still accrued is recognized in profit or loss.

Financial liabilities and equity instruments

A. Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

B. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

The instrument is an equity instrument if, and only if, both conditions (a) and (b) below are met:

a) The instrument includes no contractual obligation:

i. to deliver cash or another financial asset to another entity; or

ii. to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

b) If the instrument will or may be settled in the issuer's own equity instruments, it is:

i. a non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments; or

ii. a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

C. Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

A financial liability is classified as current liability when it satisfies any of the following criteria:

- It is expected to be settled in the entity's normal operating cycle
- It is held primarily for the purposes of trading.
- It is due to be settled within twelve months after the reporting period.
- The entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other financial liabilities are classified as non-current.

D. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Offsetting

Offsetting takes place between financial assets and financial liabilities, and the net amount is presented in the statement of financial position only when the company currently has a legally binding right to set off amounts and intends either to settle them on a net basis or to acquire the asset and settle the liability simultaneously.

Impairment of financial instruments and assets resulting from revenue contracts

The Company recognizes provisions for expected credit losses for:

- Financial assets measured at amortized cost.

The Company measures impairment at an amount equal to lifetime ECL, except for the following, which are measured at 12-month ECL:

• Debt securities that are determined to have low credit risk at the date of the financial statements; And

• Other debt securities and bank balances in which credit risk (ie the risk of default over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for other receivables are always measured at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and credit rating, which includes forward-looking information.

The company assumes that the credit risk on the financial asset has increased significantly if the maturity date is more than 30 days.

The Company considers a financial asset to be in default when it is:

- It is unlikely that the Borrower will pay its credit obligations to the Company in full, without the Company resorting to such measures as obtaining the guarantee (if any); or

- The financial asset is more than 90 days past due.

The Company considers debt securities to be of low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The company considers this to be Baa3 or higher depending on Moody's rating.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).
The maximum period considered when estimating expected credit losses is the maximum contractual period during which the company is exposed to credit risk.

Measurement of ECLs

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

Expected credit losses are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the company on terms that the Company would not consider otherwise.
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at fair value through other comprehensive income, the loss allowance is charged to profit or loss and is recognised in other comprehensive.

B. **Effective interest method**

Interest income and expense are recognized in the separate statement of profit or loss using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument to:

- the gross carrying amount of the financial asset; or -the amortized cost of the financial liability.

- When calculating the effective interest rate for financial instruments other than purchased or credit-impaired assets, the Company estimates future cash flows taking into account all contractual terms of the financial instrument, but not expected credit losses.

For purchased or credit-impaired financial assets, the credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs, fees, and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability

Amortized cost and gross carrying amount

The "Amortized cost" of a financial asset or financial liability is the amount for which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative depreciation using the effective interest method for any difference between the amount on initial recognition and the maturity amount, and for financial assets, adjusted for any provision for expected credit loss. The "gross carrying amount of a financial asset" is the amortized cost of a financial asset before adjusting for any provision for expected credit loss.

Calculating interest income and expenses

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or financial liability. When calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortized cost of the liability. The effective interest rate is adjusted as a result of periodic reassessment of the cash flows of floating rate instruments to reflect movements in market interest rates.

However, for financial assets that become creditworthy after initial recognition, the interest yield is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the sub-asset is no longer creditworthy, then the interest yield calculation reverts to the gross basis.

For financial assets that were credit-impaired upon initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not return to the gross basis, even if the credit risk of the asset has improved.

Government Grants

The incentives granted by the Central Bank of Egypt "CBE" for the deployment of points of sale devices under the CBE's initiative are recognized and recorded in the statement of profit or loss for the year when the grant amounts are approved by the CBE, in light of the Egyptian Accounting Standard (12) Government Grants, This is when all the procedures related to entitlement and collection of these grants have been fulfilled according to the conditions decided by the Central Bank of Egypt.

6- **Fixed assets**

EGP	Land	Buildings	Networks and servers	Points of sales machines	Computers	Furnitures and other office equipments	Leasehold improvements	Vehicles	Tools and equipments super fawry	Right of use asset	Total
Cost											
As of January 1, 2022	52 490 500	111 359 500	108 673 491	363 632 834	62 786 841	9 828 875	37 621 998	149 300	641 766	44 805 093	791 990 198
Additions during the year	--	22 690 855	37 589 777	189 845 189	9 128 537	12 719 869	30 834 845	--	--	49 023 578	351 832 650
Disposals	--	--	--	(27 281 745)	--	--	--	--	--	(2 823 145)	(30 104 890)
As of December 31, 2022	52 490 500	134 050 355	146 263 268	526 196 278	71 915 378	22 548 744	68 456 843	149 300	641 766	91 005 526	1 113 717 958
As of January 1, 2023	52 490 500	134 050 355	146 263 268	526 196 278	71 915 378	22 548 744	68 456 843	149 300	641 766	91 005 526	1 113 717 958
Additions during the year	--	--	55 176 211	253 309 995	13 350 812	620 997	22 618 793	--	--	37 006 408	382 083 216
Disposals	--	--	--	(46 489 771)	--	--	--	--	--	(2 305 994)	(48 795 765)
As of December31, 2023	52 490 500	134 050 355	201 439 479	733 016 502	85 266 190	23 169 741	91 075 636	149 300	641 766	125 705 940	1 447 005 409
Accumulated depreciation											
As of January 1, 2022	--	5 665 813	70 557 329	180 897 828	31 584 826	7 730 826	13 443 810	149 298	641 739	5 171 983	315 843 452
Depreciation for the year	--	3 064 656	27 282 952	79 267 570	8 963 686	2 097 235	8 423 054	--	--	13 954 205	143 053 358
Depreciation of disposals	--	--	--	(15 778 531)	--	--	--	--	--	(1 027 192)	(16 805 723)
As of December 31, 2022		8 730 469	97 840 281	244 386 867	40 548 512	9 828 061	21 866 864	149 298	641 739	18 098 996	442 091 087
As of January 1, 2023	--	8 730 469	97 840 281	244 386 867	40 548 512	9 828 061	21 866 864	149 298	641 739	18 098 996	442 091 087
Depreciation for the year	--	3 351 259	33 349 281	117 898 151	10 800 118	3 652 388	12 637 215	--	--	19 185 776	200 874 188
Depreciation of disposals	--	--	--	(36 149 097)	--	--	--	--	--	(1 309 164)	(37 458 261)
As of December31, 2023	--	12 081 728	131 189 562	326 135 921	51 348 630	13 480 449	34 504 079	149 298	641 739	35 975 608	605 507 014
Net book value											
As of December31, 2022	52 490 500	125 319 886	48 422 987	281 809 411	31 366 866	12 720 683	46 589 979	2	27	72 906 530	671 626 871
As of December31, 2023	52 490 500	121 968 627	70 249 917	406 880 581	33 917 560	9 689 292	56 571 557	2	27	89 730 332	841 498 395

7. Intangible assets – Net

EGP	Programs' license	Programs	Total
Cost			
As of January 1, 2022	64 831 629	309 534 530	374 366 159
Additions during the year	18 654 272	130 203 331	148 857 603
As of December 31, 2022	83 485 901	439 737 861	523 223 762
Additions during the year	34 778 946	256 828 298	291 607 244
As of December 31, 2023	118 264 847	696 566 159	814 831 006
Accumulated amortization			
As of January 1, 2022	18 306 044	89 341 387	107 647 431
Amortization for the year	5 445 242	37 968 960	43 414 202
As of December 31, 2022	23 751 286	127 310 347	151 061 633
Amortization for the year	8 583 782	53 637 396	62 221 178
As of December 31, 2023	32 335 068	180 947 743	213 282 811
Net book value			
As of December 31, 2023	85 929 779	515 618 416	601 548 195
As of December 31, 2022	59 734 615	312 427 514	372 162 129

8. Projects under construction

EGP	December 31, 2023	December 31, 2022
Software and program licenses	3 059 392	33 489 311
Payments to acquire fixed assets	1 966 473	2 126 491
	5 025 865	35 615 802

9. Investments in a subsidiaries

EGP	Holding percentage	December 31, 2023	December 31, 2022
Fawry for medium, small and Micro Finance	99.8%	174 985 000	99 985 000
Fawry Integrated System	99.999%	43 374 000	43 374 000
Fawry Plus for Banking Services	60.46%	56 878 449	56 878 449
Fawry Consumer finance	75%	74 997 750	7 500 000
Fawry fast moving consumer goods	50.999%	5 099 990	5 099 990
Dirac for information systems	51.2%	3 000 000	3 000 000
Fawry Dahab for electronics service	37.11%	463 776	463 776
Fawry Gulf-Free Zone (UAE)	75%	213 667	213 667
Fawry for commercial technologies	99.996%	4 999 800	--
		364 012 432	216 514 882

The company has control over Fawry Dahab Company for E-Services, as the company is the provider of Technology related services, technological infrastructure, technical support and cash collections services, the company has full control over all relevant decisions related to the company activities and is able to influence the returns obtained by the shareholders of Fawry Dahab E-Services Company.

During the year, the capital of Fawry for medium, small and MicroFinance Company was increased by EGP 75 million, and the increase was fully through the company.

During the year, the capital of Fawry Consumer finance Company was increased by EGP 67 million, and the increase was fully through the company.

During the year, the capital of Fawry for commercial technologies Company was increased by EGP 5 million, and the increase was fully through the company.

10. Investments in an associates and joint ventures

EGP	Capital participation	December 31, 2023	December 31, 2022
Bosta Technology company	--	--	12 423 230
Tazcara for information technology	20%	200 000	200 000
Roaderz for Smart Applications company	19.4%	6 541 429	6 541 429
Waffarha.com company	30%	2 250 000	2 250 000
		8 991 429	21 414 659

Investments in associates are accounted in the separate financial statements at cost. The company's share in associates' profits/(losses) is recognized in the consolidated financial statements.

11. Investments at fair value through OCI

The Investments at fair value through other comprehensive income are represented in many of start-up companies including Elmenus Co., Brimor Co., Bringer Co. (Dutch company) and maylerz Co., while the change during the year is represented in the company's portion of fair value of Maylerz co. and the investments revaluation at fair value on 31 December 2023.

12. Investments at fair value through P&L

EGP	December 31, 2023	December 31, 2022
Investments in Fawry misr Capital Fund-Current	16 732 250	13 318 250
Bosta Technology company-Non current	29 850 000	--
	46 582 250	13 318 250

During the year, Bosta Company increased its capital and this increase resulted a Decrease in company investment share. Therefore, Fawry group would not have to represent on the board of directors of Bosta company. So, the investment was re classified as investment at fair value through profit or loss statement, and this change in investment ownership structure resulted a profit by 17.4 million Egyptian pounds.

13. Loans to related parties

EGP	December 31, 2023	December 31, 2022
Fawry for microfinance – Non current	135 992 393	193 877 766
Less: Expected credit losses	(2 628 186)	(461 470)
	133 364 207	193 416 296

- The company signed a loan contract with Fawry for medium, small and MicroFinance Company (Subsidiary) for a period of two years and paid part of loan or all the balance during loan period. The two parties agreed to calculate the monthly interest due on the basis of the credit and discount rate announced by the Central Bank of Egypt, as the interest charged to the statement of profits or losses during the year amounted by EGP 24.8 million Egyptian pounds.

14. Accounts and notes receivable

EGP	December 31, 2023	December 31, 2022
Accounts receivables – from billers and banks	13 077 485	9 688 843
Notes receivable	--	120 470
Less: Expected credit losses	(750 214)	(1 644 414)
	12 327 271	8 164 899

15. Debtors and other debit balances

EGP	December 31, 2023	December 31, 2022
Vendors – advance payments	10 943 648	2 656 473
Accrued Revenue	57 197 547	80 440 917
Prepaid expenses	44 435 415	11 028 176
Deposits with others	1 384 098	1 390 298
Withholding tax in advance payments	11 801 846	14 486 742
Other debit balances	28 299 429	17 349 241
Custodies	18 890 282	14 872 740
Less: Expected credit losses	(3 033 753)	(1 252 641)
	169 918 512	140 971 946

16. Due from related parties

EGP	Account type	December 31, 2023	December 31, 2022
Fawry Fast Moving Consumer goods Co.	Current account	7 810 424	7 783 338
Fawry insurance Brokerage Co.	Current account	2 524 658	512 624
Tazcara Information Technology and Electronic Booking Co.	Current account	1 500 240	1 500 240
Fawry consumer finance Co.	Current account	91 592 043	--
Fawry Gulf Co.	Current account	1 809 267	1 309 787
Dirac for information systems Co.	Current account	--	500 000
Fawry Integrated System	Current account	85 685 185	--
Fawry Plus for Banking Services	Current account	2 568 306	--
Fawry for commercial technologies	Current account	8 870 534	--
Less: Expected credit losses		(3 949 304)	(4 096)
		198 411 353	11 601 893

17. Treasury bills

EGP	December 31, 2023	December 31, 2022
Treasury bills - less than three months	762 884 978	556 414 865
Treasury bills - More than three months	1 246 564 707	795 772 153
Add:		
Accrued interest - less than three months	25 124 393	6 375 924
Accrued interest - More than three months	109 857 636	44 317 433
Less:		
Accrued tax on accrued interest – less than three months	(5 024 879)	(1 275 185)
Accrued tax on accrued interest - More than three months	(21 971 527)	(8 863 487)
Expected credit losses	--	(184 008)
Balance	**2 117 435 308**	**1 392 557 695**
Nominal value	**2 212 225 000**	**1 468 475 000**

18. Cash and cash equivalents

EGP	December 31, 2023	December 31, 2022
Banks current accounts – local currency *	1 172 313 246	142 649 995
E-Acceptance transactions under settlement	379 358 060	371 326 942
Cash at collecting agencies	476 238 682	888 190 416
Banks current accounts – foreign currencies	30 067 253	4 289 142
Time deposit – local currencies	460 257 330	670 712 520
Time deposit – foreign currencies	61 042 173	48 845 881
Less: Expected credit losses	**(8 184 107)**	**(661 626)**
Cash and cash at banks	**2 571 092 637**	**2 125 353 270**

*Bank current accounts with local currencies includes restricted cash amounting to 8.7 million EGP against letter of guarantee Note (26)

For the purpose pf preparing cash flow statement, the cash and cash equivalents are comprised of the following:

EGP	December 31, 2023	December 31, 2022
Cash and bank balances	2 571 092 637	2 125 353 270
Treasury bills – less than 3 months	782 984 493	561 515 604
	3 354 077 130	2 686 868 874

19. Capital

The issued and paid-up capital amounted to EGP 353 652 060 distributed over 707 304 120 shares with a nominal value of EGP 0.5, and on December 31, 2021, the General Assembly of the Company decided to increase the capital by 100 million Egyptian pounds by distributing free shares financed from the retained earnings of the Company and registered that increase in the commercial register on February 3, 2021, as well as on December 31, 2020, the General Assembly of the Company decided to increase the capital by 400 million Egyptian pounds by cash increase in nominal value through underwriting to the old shareholders and was registered by this increase in the commercial register on 20 June 2021 to become the issued and paid-up capital of EGP 853 652 060 distributed on 1 707 304 120 shares with a par value of EGP 0.50.

On March 3, 2022, the company's extraordinary general assembly agreed to increase the authorized capital to become 3 billion Egyptian pounds, and to increase the issued and paid-up capital by an amount of 800 million Egyptian pounds at nominal value through subscription to old shareholders. This increase was noted in the commercial register on June 15, 2022. The issued and paid-up capital became 1 653 652 060 Egyptian pounds distributed over 3 307 304 120 shares with a nominal value of 0.5 Egyptian pounds.

On April 13,2023 the general Assembly of Fawry for banking technology decided to increase the company's capital by 49.6 million Egyptian pounds and to increase the number of shares by 99.2 million shares and to allocate that increase to the employee stock ownership program, so that the issued and paid-up capital become 1 703 261 622 Egyptian pounds distributed over 3 406 523 244 shares with nominal value of 0.5 Egyptian pounds on May 11,2023 And the right to 12.8 million shares has been exercised during the period Note (27).

20. Banks Credit Facilities

On May 2022, an agreement between Fawry for Banking Technology and Electronic payments Company and a local bank to grant the company a credit facility of up to EGP 150 million, with a rate of return at market rate. The term of the credit facility is one year, and the balance amounted to EGP 74 million on December 31, 2023 (December 31, 2022: EGP 149 million).

On December 2021, an agreement between Fawry for Banking Technology and Electronic payments Company and a local bank to grant the company a credit facility with a maximum amount of EGP 50 million at market rates, and the balance on December 31, 2023 is Nil (December 31, 2022: EGP Nil).

On November 2021, an agreement between Fawry for Banking Technology and Electronic payments Company and a local bank to grant the company a credit facility with a maximum amount of EGP 200 million at market rates, The credit facility will be used for the payment of the advances to billers (Telecommunication companies), and the balance reached EGP 71 Thousands on December 31, 2023 (December 31, 2022: EGP 50 Thousands).

On November 2021, an agreement between Fawry for Banking Technology and Electronic payments Company and a local bank to grant the company a credit facility with a maximum amount of EGP 75 million at market rates, and the balance on December 31, 2023 is Nil (December 31, 2022: is Nil).

On September 2021, an agreement between Fawry for Banking Technology and Electronic payments Company and a local bank to grant the company a credit facility with a maximum amount of EGP 2 million at market rates, and the balance on December 31, 2023 reached Nil (December 31, 2022: EGP Nil).

21. Provisions

EGP	Balance at January 1, 2023	Formed during the year	Used	Balance at December 31, 2023
Provisions for claims	40 634 057	31 149 258	(18 854 510)	52 928 805
	40 634 057	**31 149 258**	**(18 854 510)**	**52 928 805**

The management reviews these provisions on a quarterly basis and adjusts the provisions according to the latest developments and expectations from the company's management.

22. Accounts and notes payable

EGP	December 31, 2023	December 31, 2022
Accounts payable	77 086 359	60 412 265
Notes Payable	4 910 095	1 295 905
	81 996 454	**61 708 170**

23. Accounts and notes payable – Billers

EGP	December 31, 2023	December 31, 2022
Accounts payables – billers	2 049 574 794	1 592 568 587
Notes payables – billers	271 000 000	280 000 000
	2 320 574 794	1 872 568 587

24. Creditors and other credit balances

EGP	December 31, 2023	December 31, 2022
Accrued expenses	64 822 273	48 112 495
Accrued commissions	46 583 705	43 968 942
Tax Authority	32 389 763	124 762 607
Unearned revenue	5 835 666	3 006 165
Health insurance contribution	6 711 005	4 304 652
Transactions Under settlement	24 157 369	6 680 018
Other credit balances	9 133 338	39 408 310
	189 633 119	270 243 189

25. Due to related party

EGP	Nature of relationship	Account type	December 31, 2023	December 31, 2022
Fawry Integrated System	Subsidiary	Current account	--	44 614 021
Fawry Dahab Technology	Subsidiary	Current account	71 673 672	118 036 447
Fawry consumer Finance	Subsidiary	Current account	--	13 824
Fawry Plus for Banking Services	Subsidiary	Current account	--	2 619 186
			71 673 672	165 283 478

26. Contingent liabilities

- The contingent liabilities are represented in the uncovered part of the letters of guarantees issued from banks for the benefit of some parties and entities that the company is dealing with as follows:

EGP	December 31, 2023	December 31, 2022
Letters of guarantee – local currency	1 456 210 000	1 236 500 000
	1 456 210 000	1 236 500 000

The total used letter of guarantee facilities amounted to 1.06 Billion Egyptian pounds from banks in the form of letters of guarantee on the date of the separate financial statements.

27. Share-based payments

The Company introduced an Employees Share Ownership Plan (ESOP) program in accordance with the shareholders' approval at the extraordinary general assembly meeting held on February 22, 2021, The company granted free shares and allocated shares to some of its employees in accordance with the ESOP program which includes giving the right to some employees completing a term of 3 years in service at The Company to have the right in ordinary shares by granting free shares or allocating shares by 50% of the fair value on the vesting date after completion of a term of 2 years in service at The Company and which will be issued on the date of the grants. The equity instruments for share-based payment are recognized at fair value on the grant date and are recorded in the income statement on a straight line basis during a three-years period for the grant of free shares and two years for the allocated shares at 50% of the shares' fair values on the vesting date, with a corresponding increase in equity based on the Company's estimate, at each reporting date, for the number of shares that will vest. The fair value of granted shares was determined based on the share price announced on the Egyptian Stock Exchange at the grant date.

During the year the group and its subsidiaries granted 26.65 Million shares for employee stock ownership plan some employees practice their rights with 9.1 Million shares and the total cost for the year shares granted is amounting to 75 Million EGP and total Reserve for employee stock ownership plan at the reporting date is 198.5 Million EGP.

28. Lease Contracts

EGP	December 31, 2023	December 31, 2022
Non-current liabilities	88 880 933	68 803 312
Current liabilities	15 289 485	11 045 717
	104 170 418	**79 849 029**

The following table summarizes the movement of lease liabilities during the year:

EGP	December 31, 2023	December 31, 2022
Less than a year	15 289 485	11 045 717
Over a year under 5 years	85 132 407	63 348 312
Over 5 years	3 748 526	5 455 000
Total	**104 170 418**	**79 849 029**

29. Operating revenues

EGP	December 31, 2023	December 31, 2022
Transaction services revenue - collection fees	2 113 052 537	1 450 856 794
Other revenues	85 772 270	42 597 009
	2 198 824 807	**1 493 453 804**

The total throughput from Electronic Top Up and bill payment transactions for the billers through the company's various payments channels (i.e. the company points of sales, banks' ATM machines, mobile devices, outlets of Egypt Post Offices and E-banking), is as follows:

EGP	December 31, 2023	December 31, 2022
Total throughput	348 067 723 207	205 329 342 906
	348 067 723 207	**205 329 342 906**

30. Operating costs

EGP	December 31, 2023	December 31, 2022
Merchants' fees	332 584 247	326 673 636
Banks' fees	24 996 017	23 371 868
Depreciation and amortization	117 764 559	67 049 529
Cash collection cost	233 171 758	176 921 214
Others	32 130 516	12 298 369
	740 647 097	**606 314 616**

31. Finance costs

EGP	December 31, 2023	December 31, 2022
Debit interest	9 249 208	17 454 932
Letter of guarantees' bank charges	9 711 537	9 915 995
Lease interest	12 175 238	7 709 763
	31 135 983	35 080 690

32. Depreciation and Amortization

Depreciation and amortization had been classified as follows:

EGP	December 31, 2023	December 31, 2022
Operating costs	117 764 559	67 049 529
General and administrative Expenses	145 330 807	119 418 031
	263 095 366	186 467 560

33. Credit Interest

EGP	December 31, 2023	December 31, 2022
Credit interest - current accounts	38 095 183	14 880 586
Credit interest – treasury bills	380 214 821	181 760 646
Credit interest – loans to related party	24 892 458	15 338 238
	443 202 462	211 979 470

34. Significant related parties' transactions

The outstanding balances of Due to and from related parties have been disclosed in Note No. (13) and (26) which also include the nature of the relationship with each related party as well as the nature of the account. Transactions that took place during the financial year on current accounts represent expenses paid on behalf of the company or what the company paid for on behalf of the related parties in addition to the transfer of balances between the related parties (if any). The transactions recorded in the current accounts - which are essentially transfers to and from the company - are of short-term nature

The following are significant related parties' transactions:

EGP	Nature of the Transaction	December 31, 2023
Fawry Dahab for Electronics Services	Cost payment on behalf of related party	418 610 712
	Electronic Payment services revenues	195 942 056
	Dividends revenue	36 646 749
Fawry for Integrated Systems	Program acquisition from related party	173 776 553
	POS machine acquisition	254 591 315
Fawry for medium, small and MicroFinance	Capital increase	75 000 000
	Loans to related parties	135 992 393
	Credit Interest revenue	24 892 458
Fawry Plus for Banking Services	Cost payment on behalf of related party	104 441 528
	Revenue from electronic payment services	49 129 180
	Branches managing fees for related party	18 000 000
Fawry for FMCG	Electronic Payment services revenue	66 480 982
	Operations revenue on Fawry's Services	1 190 811
Fawry for Consumer finance	Capital increase	67 497 750
Fawry for commercial Technologies	Capital increase	4 999 800

35. Deferred tax

The following are the deferred tax assets (liabilities) balances calculated in accordance with the income tax law

EGP	January 1, 2023	Charged to P&L	Charged to Equity	December 31, 2023
Depreciation & Amortization Differences	(12 875 226)	(5 347 321)	--	(18 222 547)
The impact of the initial application of EAS 49	(4 085 192)	--	--	(4 085 192)
The impact of change from investment in associates	--	(3 954 773)	--	(3 954 773)
Total Deferred Tax liabilities	**(16 960 418)**	**(9 302 094)**	--	**(26 262 512)**
ESOP	23 779 162	(1 328 633)	10 383 157	32 833 686
Revaluation loss of financial investments through OCI	4 005 000	--	--	4 005 000
Total Deferred Tax Assets	**27 784 162**	**(1 328 633)**	**10 383 157**	**36 838 686**

36. Operating costs and expenses by nature of expense

EGP	December 31, 2023	December 31, 2022
Merchant's and bank commissions	357 580 264	349 405 154
Other costs	32 130 516	12 938 718
Selling and marketing commissions	131 391 771	95 252 136
Depreciation and amortization	263 095 366	186 467 560
Cost of cash collections	227 472 450	176 921 214
Salaries and wages	405 142 053	302 385 314
Social insurance	51 074 243	35 468 426
Technical support and service centers	108 403 790	60 250 725
Selling and marketing expenses	81 471 793	72 534 861
Bank charges	9 711 537	9 915 995
Credit interest	21 424 445	25 164 695
Insurance expenses	26 703 747	24 395 373
Headquarters expenses	14 677 835	11 782 568
Training and Human resource expenses	10 478 005	6 475 847
Professional fees	12 239 989	13 712 839
Other Expenses	36 699 296	54 955 567
	1 789 697 100	**1 438 026 992**
Operating costs	740 647 097	606 314 616
General and administrative expenses	549 484 590	421 815 473
Selling and marketing expenses	468 429 430	374 816 213
Finance expenses	31 135 983	35 080 690
	1 789 697 100	**1 438 026 992**

37. Earnings per share

Earnings per share is calculated by dividing the net profit by the weighted average of the shares outstanding during the year.

EGP	December 31, 2023		December 31, 2022	
	Basic	Diluted	Basic	Diluted
Net profit of the period	610 843 768	610 843 768	177 785 349	177 785 349
Deducted:				
Dividends*	(97 734 992)	(97 734 992)	(28 445 656)	(28 445 656)
Net profit after dividends	513 108 776	513 108 776	149 339 693	149 339 693
Average number of shares	3 406 523 244	3 406 523 244	2 579 632 887	2 615 795 167
	0.15	0.15	0.06	0.06

* For the purpose of calculating earnings per share for the fiscal year ending on December 31, 2023, the proposed dividend distributions to employees were deducted in accordance with the Board of Directors' proposal, which will be presented to the general assembly of the company's shareholders for approval.

38. Legal Position

During the third quarter of 2019, a company filed a lawsuit against Fawry for Banking Technology and Electronic Payments "the Company" claiming an amount of EGP 50 million under a contract covering the period from year 2015 to 30 June 2019 in addition to the legal accrued interest on the said amount. No transactions took place under the aforementioned contract, the company and the company's external legal advisor opinion regarding the outcome of this case that it will be in favor of the Company without any financial liabilities on the company in relation to this case.

39. Tax position

The company's profits are subject to tax on the profits of legal persons in accordance with the provisions of the Income Tax Law No. 91 of 2005, its executive regulations, and its amendments

Corporate tax

The company submits the tax return prepared in accordance with the provisions of Law 91 of 2005 on legal dates.

The period from establishment until 2017

- The Company was inspected and tax differences were settled.

The period from 2018 until 31 December 2019

The company received an announcement to inspect its books for the mentioned dates and they are currently preparing for the office inspection.

The period from 2020 until Now

Tax returns were submitted and paid all tax due on in the legal dates.

Salaries and wages tax

The period from establishment until 2020

- The Company was inspected for mentioned years, and tax differences were settled.

The year 2021 until now

- Tax returns were submitted and and paid all tax due within the legal deadlines.

Stamp duty tax

The period from inception until 2020

- The company's records have been tax inspected for the mentioned years, and tax differences were settled.

Sales tax / VAT tax

The period from inception until December 31, 2019

Company's recorded were inspected for the mentioned years, and differences were settled.

The Period from Year 2020 until now

Tax returns were submitted and paid all tax due on its dates.

Withholding tax

- The company has not been notified of any inspection forms.

40. Financial instruments

Capital risk management

The Company manages its capital to ensure that it will be able to continue as going concern, in order to generate returns for shareholders, benefits for other stakeholders and to provide an adequate return for shareholders.

The capital structure of the Company consists of the capital paid by shareholders plus retained earnings. The Company reviews the capital structure of the Company regularly. As part of this review, the Company considers the cost of capital and the risks associated with each class of capital.

Financial risks factors

The company monitors and manages financial risks relating to its operations through analyzing the degree and magnitude of risk exposure. These risks include credit risk and liquidity risk. The company's overall risk management program focuses on managing the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations on due dates resulting in financial loss to the company. Trade and notes receivables are monitored on an ongoing basis, and there are no delays included in these balances. Also, most of company's revenues arising from prepaid services, and the company is dealing with the financial institutions are only those that have high credit worthiness. The company performs a continuous monitoring of debtors in order to minimize credit risk to the minimal rate. The company's management collects cash in advance from the merchants, who represent the major portion of the transactions volume. Also, the bank current accounts are held at banks with high credit ratings.

The company reviews that risk and submits periodic reports to the senior management on those risks and the means of confronting their impact on the financial statements.

The maximum credit risk is analyzed as follows:

EGP	December 31, 2023	December 31, 2022
Cash and cash equivalents	2 579 276 745	2 126 014 896
Treasury bills	2 117 435 308	1 392 741 703
Accounts and notes receivable	13 077 485	9 808 313
Debtors and other debit balances	108 242 471	114 053 197
Due from related parties	202 360 657	11 605 989
Loans to related parties	135 992 393	193 877 766
Advances to billers	544 540 337	498 083 700
Total	**5 700 925 396**	**4 346 185 564**

-Company uses specialized approaches in the calculation of ECL on its financial assets.

Liquidity risk

Ultimate responsibility for liquidity risk rests with the company's management, which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company's management continuously monitors the forecast and actual cash flows and matches the maturity profiles of financial assets and liabilities.

The company uses specialized models in calculating the provision for expected credit losses on its financial assets.

The following are the remaining contractual dues for financial obligations, taking into account that the company does not have financial obligations with a return or maturity of more than a year:

EGP	Less than one year	Total
31 December 2023		
Non-interest bearing	4 138 700 003	4 138 700 003
Interest bearing	90 266 552	90 266 552
	4 228 966 555	4 228 966 555
31 December 2022		
Non-interest bearing	3 073 600 099	3 073 600 099
Interest bearing	229 391 220	229 391 220
	3 302 991 319	3 302 991 319

Foreign currency risk

Foreign currency risk is represented in foreign currency fluctuations in exchange rates affecting the Company's cash inflow and outflow in foreign currencies and also the exchange differences arising from translation of monetary assets and liabilities in foreign currencies. The company monitors foreign currency balances and prevailing exchange rates, and continuously minimizes deficit in foreign currency position, if any. Except for bank accounts in foreign currencies, most of the Company's assets and liabilities are denominated in Egyptian Pound, which minimize exposure to foreign currency risk.

Interest rate risk:

Interest rate risk represents fluctuations in interest rate which may have a negative impact on the results of operations and cash flows, management continuously monitors the changes in interest rates in the market. Interest rate risk is considered insignificant since the company does not has facilities with variable interest rates.

fair value measurement

Fair value measurements recognized in the separate financial position:

The following table provides an analysis of financial and non-financial instruments that are measured subsequent to initial recognition at fair value, grouped into Stages 1 to 3 based on the degree to which the fair value is observable.

– Stage 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

– Stage 2: fair value measurements are those derived from inputs, other than quoted prices included within Stage 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). However, it is not considered quoted prices as that included in stage 1.

– Stage 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2023 EGP	Stage 1	Stage 2	Stage 3	Total
Financial assets at FVTOCI				
Unlisted shares measured at FV	--	--	40 047 247	40 047 247
2022 EGP	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Financial assets at FVTOCI				
Unlisted shares measured at FV	--	--	38 505 101	38 505 101

41. Subsequent Events after the date of financial statements

On February 1st, 2024, The Monetary Policy Committee of the Central Bank of Egypt decided in its meeting, to raise the overnight deposit and lending rates and the rate of the main operation of the Central Bank by 200 basis points to 21.25%, 22.25% and 21.75%, respectively. The discount rate was also raised by 200 basis points to 21.75%.